

Multifamily Preservation Programs

Other Resources

- Department of Employment and Economic Development:
www.positivelyminnesota.com
- Minnesota Housing website: www.mnhousing.gov

Contact your Minnesota Housing local administrator to apply today:

Arrowhead EOA, Virginia

Barbara Ackerson — barbara.ackerson@aeoa.org
218.749.2912, ext. 127

Central Minnesota Housing Partnership, St. Cloud

Jason Krebsbach — jason@cmhp.net
320.259.0393

Clay County HRA, Dilworth

Kendra Ferencak — kferencak@claycohra.com
218.443.6789

One Roof Community Housing, Duluth

Cliff Knettel — cknettel@1roofhousing.org
218.727.5372, ext. 201 or 218.461.4397

St. Cloud HRA

Mike Haehn — mhaehn@stcloudhra.com
320.252.0880

Southeastern Multi-County HRA, Wabasha

Karen DuCharme — commdevhra@wabasha.net
651.565.2638, ext. 213

Southwest Minnesota Housing Partnership, Slayton

Michele Clarke — michelec@swmhp.org
507.836.1617



Rental Rehabilitation Deferred Loan

Program Reference Guide

for Owners and Housing Professionals



400 Sibley St., Suite 300
Saint Paul, MN 55101
651.296.9832 | 800.657.3701
TTY 651.297.2361



Find us on
Facebook
and
Twitter



Preserving Minnesota's Aging Housing Stock

As part of Minnesota Housing's broader preservation efforts, the Agency is launching a new program that is well suited to help building owners in greater Minnesota stabilize small-medium size rental properties. Rental Rehabilitation Deferred Loan (RRDL) provides zero interest deferred loans of up to \$300,000 for property improvements for aging properties. Greater Minnesota contains 40% of Minnesota's rental housing stock, an estimated 223,500 units. This important supply of rental housing stock is also aging with 2/3 of rental units built before 1980 and 1/3 of which were built before 1960.

Features and Benefits

- Deferred payment 0% loan
- Flexible loan terms
- Up to 25% loan forgiveness for qualified owners
- Simple application process for individuals owning small properties
- Loans may be extended in lieu of repayment for continued affordability

Borrower Eligibility

- Individuals, developers, non-profits, units of government, and tribal housing corporations
- Meet minimum credit worthiness guidelines

Property Eligibility*

- Single family, duplex, and larger permanent rental housing
- Tenant maximum gross annual income of \$59,200 (subject to change annually)
- 51% of floor space used for residential rental purposes
- Meet minimum financial feasibility and selection requirements

**RRDL cannot be combined for Minnesota Housing Multifamily RFP Funds for 5 years.*

Loan amount and Terms

- Up to \$25,000 per unit - \$35,000 for Single Family/Duplex Units
- Maximum Loan is \$300,000 per project.
- Term for 10 -30 years based on loan amount
- End Loan or Construction Loan
- Five percent is forgiven each year in which the applicable requirements are met over the last five years of the RRDL Program loan term.

Eligible Improvements

- Permanent general improvements, with the exception of appliances, that have not been started prior to the loan closing.
- Renovations or repairs to an existing structure which materially preserve or improve the basic livability, safety, or utility of the property.
- Improvements include:
 - roofs
 - windows
 - boilers and mechanical systems
 - energy and water saving improvements
- Improvements must be made in compliance with all applicable health, fire prevention, building, housing codes and standards, and the NEW Minnesota Housing's Abbreviated Design Standards and Sustainability Requirements for limited scope rehabilitation projects.

Individual and Sole Proprietorships

- Minimum Equity Requirements: 5%
- Minimum Credit Score: 640
- Assistance available from local administrator

Limited Partnership and Corporations

- Compatible with existing commercial debt
- Minimum credit worthiness and financial requirements

